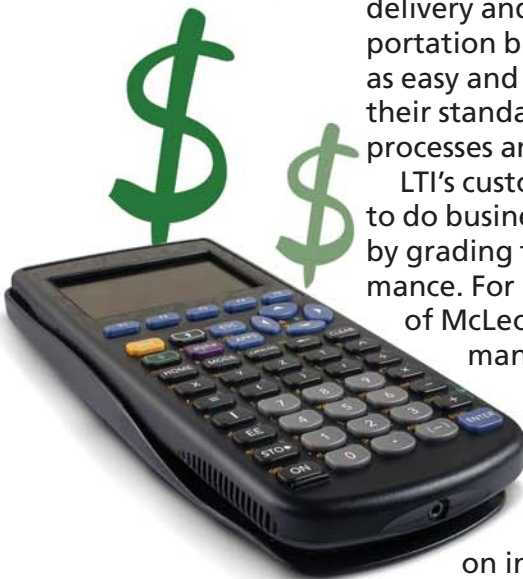


INVESTING

Putting money
into technology
is helping LTI
Trucking
Services better
manage its
operation and
continue to
grow profitably



“Advanced management technology has never been more valuable,” says Nicholas Civello, president of LTI Trucking Services Inc. “We already operate in a highly competitive industry. Today, customer service demands on carriers are greater than ever, while rate pressures and rising operating costs are also impediments to success. Without information management capabilities that enable us to take cost out of our system we can’t operate efficiently and profitably or provide quality transportation service.”

Based near St. Louis, Miss., LTI Trucking Services is a refrigerated truckload carrier specializing in serving the needs of Fortune 500 food and grocery businesses. The fleet of 150 trucks and 300 refrigerated trailers operates primarily throughout the Midwest and in parts of the southwest and southeast U.S. Its Logistics & Brokerage Division also provides service nationwide.

State of the art enterprise management technologies are very important to LTI, Civello notes. “It’s a bottom-line issue,” he states. “Investing in information systems is making an investment in efficiency and productivity. It is how we can continually improve operationally and work proactively to offset rising costs and run more efficiently.

“Our customers,” Civello continues, “are just as concerned about how we do business as they are about things like on-time delivery and rates. The companies we work for are not in the transportation business, so they expect us to make this necessary service as easy and transparent as possible for them. To meet and exceed their standards, we need to be concerned with our business processes and that means adopting advanced solutions.”

LTI’s customers, Civello notes, are asking themselves if they want to do business with the company and are answering that question by grading the carrier as much on its technology as on its performance. For LTI, an answer to this challenge is rooted in its adoption of McLeod Software’s LoadMaster enterprise transportation management system, including a recent upgrade to Version 8.0 of the system and an investment in two new solutions.

“McLeod’s new Integrated Mapping System allows our dispatchers to graphically see loads and available trucks and their locations on a large panel monitor or on individual computers,” Civello explains. “Complete

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information on drivers, tractors and loads is easily accessible while color-coded alerts on icons indicate the status of orders and if trucks are pre-assigned or late. Integrated Mapping also allows dispatchers to drill down geographically on a truck icon, down to street level, to better determine its exact location. This information is also visible to our customers online."

LTI also adopted McLeod's new Rapid Alert Notification System (RANS) module, Civello reports. RANS constantly searches for exceptions to defined thresholds and provides instant notification by email, a message window or an audible alert. Potential issues of concern for LTI include when a tractor is late for its next stop or out-of-route based on the current stop. In addition, an Empty Distance Alert is issued when an order's empty distance exceeds a defined threshold by percentage or number of miles.

"Our software enables us to manage all aspects of our business to provide the highest quality service possible," Civello states. "We consistently measure our performance to meet our customer's expectations and company goals. For example, we've enabled EDI solutions for load tendering and other functions and we also track how that system performs."

LTI is also taking a proactive approach to improving vehicle and driver efficiency by investing in equipment and other technologies. For example, all of the company's tractors are now equipped with Qualcomm communications and tracking systems, which interface with the McLeod software through its Symphony Mobile Communications Module. Additionally, the carrier is about to begin testing refrigeration unit monitoring and trailer

tracking systems from PAR Logistics.

LTI has also replaced all of its power units with new Freightliner tractors and has purchased over 200 new Utility trailers equipped with Carrier refrigeration units. At the same time, to reduce fuel consumption by eliminating idle time, the fleet has invested in Carrier Comfort Pro Auxiliary Power Units on all trucks.

The result of all LTI's technology investments has been nothing short of exceptional. "We've grown ten percent per year and simultaneously enhanced our operating ratio by two percent in one very competitive year, which improved our bottom line by \$370,000," Civello states. "Each percentage reduction in empty or out-of-route mileage saves \$200,000, which will be even more valuable because we expect to maintain double-digit annual growth in the coming years."

Improving performance by adopting enhanced management systems, reducing deadhead mileage, better managing equipment utilization, controlling costs and increasing revenue, is also helping LTI meet higher than ever on-time delivery standards. The company, for instance, now boasts an average 98 percent on-time pick-up and delivery rate.

"Investing in technology is very important in this business, especially in a slow or down market," Civello concludes.

"With competition at an all time high and costs rising across the board, we simply cannot afford not to put money into technology that improves our performance, makes us a better operating company and gives us a competitive edge. As we grow, we know we need to continue to invest in technology to operate more efficiently, profitably, and ultimately to satisfy our customers. T3